



## COMMONWEALTH of VIRGINIA

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES  
600 East Broad Street, Suite 1300  
Richmond, VA 23219

October 17, 2008

### ADDENDUM No. 6 TO VENDORS:

Reference Request for Proposal: RFP 2008-02

Dated: August 13, 2008

Due: November 14, 2008

Below are updates that may delete, add, modify or clarify certain aspects of the aforementioned RFP. Please incorporate as necessary.

#### Page 2-7 §2.1.14 Evaluation Factors, Table 2.1.14: Must Have Factors:

**MODIFY – Factor 5 is modified to read per the following:**

|    |   |
|----|---|
| 5. | (M) Offeror must submit <del>its</del> <b>the proposed</b> one-time Takeover cost separate from the <del>cost proposal for each procurement section.</del><br><b>proposed Operations cost in the Total Price Schedule.</b> The Commonwealth of Virginia reserves the right to negotiate the Takeover fee. |
|----|---|

#### Page 4-81 §4.4.4 Operations Phase Price Instructions:

**MODIFY – First paragraph revised to read per the following:**

The Schedules used in this section are: Schedule C-1 Price for Operations Phase for MMIS Core Technology Hosting; Schedule D-1 Price for CBU Rates ~~for MMIS Core Technology Hosting,~~ **including Disaster Recovery Baseline Package, Schedule D-2: Price for CBU Rates including optional Disaster Recovery Option Package A, Schedule D-3: Price for CBU Rates including optional Disaster Recovery Option Package B, Schedule D-4: Price for CBU Rates including optional Disaster Recovery Option Package C,** Schedule E-1 MMIS Systems Development Group Price; Schedule E-2 Production Support Group Price; Schedule E-3 DMAS Technology Applications Group Price, Schedule E-4 Business Operations Group Price; Schedule E-5 Software Quality Assurance Group Price, Schedule E-6 Business Operations Quality Assurance Group Price, and Schedule E-7 Training Staff Price.

**Page 4-82 §4.4.4 Operations Phase Price Instructions, Claims Billing Units:**

**ADD – Add three sentences to end of paragraph (see below).**

**Claims Billing Units**

Schedule D-1 contains a base rate per CBU as well as low and high-volume thresholds that should be expressed in millions. The Low Volume Rate per CBU is applicable if the actual volume is below the low-volume threshold number. The High Volume Rate per CBU is applicable if the actual volume is above the high-volume threshold number. The Base Rate per CBU is applicable between the low and high volume thresholds. **This schedule reflects Disaster Recovery Baseline Package. Schedules D-2, D-3, and D-4 reflects the optional Disaster Recovery Packages A, B, and C. Completion of Schedules D-2, D-3, and D-4 follow the procedures for Schedule D-1.**

**Page 4-82 §4.4.5 Recommended Completion Order, Step #2:**

**ADD – Add Schedules D-2, D-3, and D-4 under step #2 (see below).**

| <u>Step</u> | <u>Description</u>                               |
|-------------|--|
| 1.          | Complete Schedules E-1 through E-7.              |
| 2.          | Complete Schedule D-1, <b>D-2, D-3, and D-4.</b> |
| 3.          | Complete Schedule C-1.                           |
| 4.          | Complete Schedule B-1.                           |
| 5.          | Complete Schedules A-1 through A-3.              |

**Page 4-87, Schedule D-1:**

**CHANGE – Change table heading to read per the following:**

**Schedule D-1: Price for CBU Rates including Disaster Recovery Baseline Package**

**Page 4-87, Schedule D Tables:**

**ADD – Add Schedule D-2, D-3, and D-4 tables (see below).**

**Schedule D-2: Price for CBU Rates including optional Disaster Recovery Option Package A**

| <b>CBU Type</b>         | <b>Base Rate per CBU</b> | <b>Low Volume Threshold (millions)</b> | <b>Low Volume Rate per CBU</b> | <b>High Volume Threshold (millions)</b> | <b>High Volume Rate per CBU</b> |
|-------------------------|--------------------------|--|--------------------------------|---|---------------------------------|
| Paper Claims            | \$                       |  | \$                             |   | \$                              |
| Electronic Claims       | \$                       |  | \$                             |   | \$                              |
| POS Claims              | \$                       |  | \$                             |   | \$                              |
| Encounters              | \$                       |  | \$                             |   | \$                              |
| System Generated Claims | \$                       |  | \$                             |   | \$                              |

### Schedule D-3: Price for CBU Rates including optional Disaster Recovery Option Package B

| CBU Type                | Base Rate per CBU | Low Volume Threshold (millions) | Low Volume Rate per CBU | High Volume Threshold (millions) | High Volume Rate per CBU |
|-------------------------|-------------------|---------------------------------|-------------------------|----------------------------------|--------------------------|
| Paper Claims            | \$                |                                 | \$                      |                                  | \$                       |
| Electronic Claims       | \$                |                                 | \$                      |                                  | \$                       |
| POS Claims              | \$                |                                 | \$                      |                                  | \$                       |
| Encounters              | \$                |                                 | \$                      |                                  | \$                       |
| System Generated Claims | \$                |                                 | \$                      |                                  | \$                       |

### Schedule D-4: Price for CBU Rates including optional Disaster Recovery Option Package C

| CBU Type                | Base Rate per CBU | Low Volume Threshold (millions) | Low Volume Rate per CBU | High Volume Threshold (millions) | High Volume Rate per CBU |
|-------------------------|-------------------|---------------------------------|-------------------------|----------------------------------|--------------------------|
| Paper Claims            | \$                |                                 | \$                      |                                  | \$                       |
| Electronic Claims       | \$                |                                 | \$                      |                                  | \$                       |
| POS Claims              | \$                |                                 | \$                      |                                  | \$                       |
| Encounters              | \$                |                                 | \$                      |                                  | \$                       |
| System Generated Claims | \$                |                                 | \$                      |                                  | \$                       |

#### Appendix E.I, Page E.I – 8, #26:

**ADD – Add additional bullet (see below).**

|     |   |  |  |
|-----|---|--|--|
| 26. | <p>Does the Offeror agree to provide a 24 x 7 Pharmacy Help Desk to assist with the following types of calls:</p> <ul style="list-style-type: none"> <li>• POS transmission errors;</li> <li>• Claim reversal when not received; and</li> <li>• After normal business hours, POS claim questions (e.g., coverage, limits, status, denial reasons)?</li> <li>• <b>PDUR questions from providers</b></li> </ul> <p>Describe the approach.</p> |  |  |
|-----|---|--|--|

**MODIFY – Edit bullet #1 to read, “Provide a call-tracking system and obtain necessary licenses, if applicable, to support the Pharmacy Help Desk;”**

**ADD - Add new bullet to list (see below).**

|            |   |  |  |
|------------|---|--|--|
| <p>78.</p> | <p>Does the Offeror agree to perform the following services for the Drug Subsystem:</p> <ul style="list-style-type: none"> <li>• <del>Use and maintain</del> <b>Provide</b> a call-tracking system <b>and obtain necessary licenses, if applicable,</b> to support the Pharmacy Help Desk;</li> <li>• Notify DMAS immediately upon learning of overpayments with claims detail and document recovery procedure in conformance with SLAs;</li> <li>• Reprocess and rectify all overpayments in conformance with SLAs;</li> <li>• In the current format or a DMAS-approved format and in the current time span, accept and process PA transactions sent from other contractors;</li> <li>• Create all interface extracts needed to support existing or replacement COTS packages;</li> <li>• Provide extracts in the format dictated by the DRS Contractor;</li> <li>• Provide the interfaces and allow queries necessary for the PDL program to function as currently operated with flexibility for future enhancements;</li> <li>• In support of new PRODUR criteria and program enhancements, implement the technical changes necessary to meet the DUR Board or DMAS requirements;</li> <li>• Obtain licenses to operate designated proprietary software or replace COTS packages with equal or greater functionality for RetroDUR, Provider Profiling, and ad-hoc reporting;</li> <li>• Provide a Retrospective Drug Utilization Review (RetroDUR) solution that is a criterion-driven reporting application with standard and ad-hoc reports;</li> <li>• Modify RetroDUR criteria as directed by the DUR Board or DMAS;</li> <li>• Provide a Provider Profiling solution that is a criterion-driven reporting application with standard and ad hoc reports;</li> <li>• Modify Provider Profiling criteria as directed by the DUR Board or DMAS;</li> <li>• Provide an ad hoc reporting solution that is a criterion-driven reporting application that is flexible for developing standard and ad hoc queries based on DMAS’ reporting and clinical-evaluation needs;</li> <li>• Prepare and store ad hoc reports that can be accessed and run by DMAS users; and</li> <li>• Provide DMAS with ten (10) licenses and training with the proposed ad hoc reporting application?</li> <li>• <b>Construct pharmacy ad hoc reports <u>outside of the ISR process OR using the Ad Hoc reporting tool</u> and present the report and report findings as requested by DMAS.</b></li> </ul> <p>Describe the approach.</p> |  |  |
|------------|---|--|--|

**Appendix E.I, Page E.I – 21, #84 and #85:**

**DELETE – Delete Requirements #84 and #85 in their entirety.**

**Appendix E.I, Page E.I – 26, #107.1:**

**ADD – Add new requirement for 4.1.4 Documentation Management, to be added after requirement 107 (see below).**

|              |   |  |  |
|--------------|---|--|--|
| <b>107.1</b> | <b>Does the Offeror agree to accept, store and maintain care, custody and control of scanned images and documents from operational and technical processes included but not limited to procedure manuals, user guides, operational reports, claims invoices, remittance advices, prior authorizations, letters and provider applications.</b> |  |  |
|--------------|---|--|--|

**Appendix E.I, Page E.I – 37, #176:**

**REMOVE AND REPLACE – Delete Requirement #176 and replace per the following:**

|             |  |  |  |
|-------------|--|--|--|
| <b>176.</b> | <p><del>Does the Offeror agree to provide the required Key Staff and agree to the terms of approval, organizational structure, and staff qualifications? Provide names of proposed Key Staff, resumes, and three references for each.</del></p> <p><b>Does the Offeror agree to provide a name, resume, and three references (Name of Reference, Phone and Email Address) for the required Key Staff including: Executive Account Manager, Systems Development Manager, Business Operations Manager, Software Quality Assurance Manager, Business Quality Assurance Manager, Claims Operations Supervisor, Financial Operations Supervisor, and Pharmacy Clinical Manager?</b></p> |  |  |
|-------------|--|--|--|

**Appendix E.II, Table E-7, #1, Page E.II-11:**

**DELETE – Under item #1, Performance Target column, remove “100% accuracy of RA/Checks/EFT” (see below).**

| <b>MMIS Operational Functions Service Level Requirements</b> |   |                        |  |                              |
|--|---|------------------------|--|------------------------------|
| <b>ID</b>  | <b>Operational Task</b>   | <b>Service Measure</b> | <b>Performance Target</b>  | <b>Minimum Performance %</b> |
| 1  | Execute Financial cycle, generate, mail and image weekly remittance advices and checks and deposit provider EFT payments. | Response               | <p>100% mailing completion of RAs/Checks by 12:00 PM <b>Friday</b> following the weekly payment or approved schedule</p> <p>100% depositing EFT by 12:00 PM <b>Friday</b> following the weekly payment cycle or approved schedule.</p> <p><del>100% accuracy of RA/Checks/EFT.</del></p> | 100%                         |

**Appendix E.II, Table E-7, #18, Page E.II-13:**

**REMOVE AND REPLACE** – Under item #18, Performance Target column, remove “Process and mail all 1099 corrections by February 28<sup>th</sup> COB each year” and replace with “Resolve annual 1099 discrepancies in ≤30 days notification of discrepancy from DMAS” (see below).

| MMIS Operational Functions Service Level Requirements |                          |                 |  |                       |
|---|--------------------------|-----------------|--|-----------------------|
| ID  | Operational Task         | Service Measure | Performance Target   | Minimum Performance % |
| 18  | Annual 1099 corrections. | Delivered       | <del>Process and mail all 1099 corrections by February 28<sup>th</sup> COB each year.</del><br>Resolve annual 1099 discrepancies in ≤30 days notification of discrepancy from DMAS | 100%                  |

**Appendix E.II, Table E-12, Definition, Page E.II-19:**

**ADD** - Add definitions for Priority Level 1, 2 and 3 outages (see below).

|                   |   |
|-------------------|---|
| <b>DEFINITION</b> | Routine Data Center functions that are required to meet DMAS' workload requirements.  |
|                   | <b>Priority Level 1 Outage– Emergency/Urgent</b><br><i>Critical Business Impact</i><br>The problem has caused a complete and immediate work stoppage affecting a primary business process or a broad group of users such as an entire department, floor, branch, line of business, or external users. |
|                   | <b>Priority Level 2 Outage– High</b><br><i>Major Business Impact</i><br>A business process is affected in such a way that business functions are severely degraded, multiple end-users are impacted or a key customer is affected.  |
|                   | <b>Priority Level 3 Outage– Medium</b><br><i>Moderate Business Impact</i><br>A business process is affected in such a way that certain functions are unavailable to end-users or a system and/or service is degraded.   |

**Appendix F.I, Page F.I – 1, #2:**

**DELETE** – Bullet #1 (see below).

|    |   |  |  |
|----|---|--|--|
| 2. | Does the Offeror agree to accurately image and profile all provider documentation received from providers, DMAS or the Fiscal Agent to include the following responsibilities:  |  |  |
|    | <ul style="list-style-type: none"> <li><del>Accept and maintain care, custody, and control of an estimated 4.5 million electronically imaged provider enrollment documents, profiled by provider number, date, name, and document type;</del></li> <li>Using software the Offeror provides, scan all incoming and outgoing provider documentation. Profile and maintain resulting images in an electronic format to ensure easy retrieval of all images by provider name, provider number, and date received and/or document type;</li> <li>Interface with the FAS-provided Enterprise Content Management (ECM) software to transfer scanned images;</li> </ul> |  |  |

|  |  |  |  |
|--|--|--|--|
|  | <ul style="list-style-type: none"> <li>• Provide contractor employees and DMAS contract monitoring staff direct access to these imaged provider documentation files; and</li> <li>• Verify accuracy of all keying of all provider data entered in the MMIS and in the ECM database?</li> </ul> <p>Describe the approach.</p> |  |  |
|--|--|--|--|

**Appendix F.I, Page F.I – 15, #78.1:**

**ADD – Add new requirement for 5.2 Contract Staffing Requirements, to be inserted between requirement #78 and #79 (see below).**

|             |  |  |  |
|-------------|--|--|--|
| <b>78.1</b> | <b>Does the Offeror agree to provide a name, resume, and three references (Name of Reference, Phone and Email Address) for the required Key Staff including: Executive Account Manager and Provider Enrollment Services Supervisor, and Quality Assurance and Training Specialist?</b> |  |  |
|-------------|--|--|--|

**Appendix F.II, Table F-3, #17, Page F.II-4:**

**REMOVE AND REPLACE – Under Item #17, Minimum Performance % column, change 90% to 95% (see below).**

| PES Operational Service Level Requirements |                         |                 |   |                              |
|--|-------------------------|-----------------|---|------------------------------|
| ID   | Operational Task        | Service Measure | Performance Target                        | Minimum Performance %        |
| 17   | Call center performance | Elapsed Time    | Maintain a call abandonment rate of < 5%. | <del>90%</del><br><b>95%</b> |

**Appendix F.II, Table F-3, Page F.II-4, Measurement Interval:**

**REMOVE AND REPLACE – Under Measurement Interval, remove “Weekly” and replace with “Daily” (see below).**

|  |                      |  |
|--|----------------------|--|
|  | Measurement Interval | Measure <del>Weekly</del> <b>Daily</b> , Report Monthly. |
|--|----------------------|--|

**Appendix G.I, Page G.I -12, #96:**

**REMOVE AND REPLACE – Delete Requirement #96 and replace per the following:**

|            |   |  |  |
|------------|---|--|--|
| <b>96.</b> | <p><del>Does the Offeror agree to provide staff to conduct the day-to-day operations of the Drug Rebate functions for the following:</del></p> <ul style="list-style-type: none"> <li><del>• Pharmacist Registered in VA; and</del></li> <li><del>• Rebate Analyst?</del></li> </ul> <p><del>Describe the approach.</del></p> <p><b>Does the Offeror agree to provide a name, resume, and three references (Name of Reference, Phone and Email Address) for the required Key Staff to include a Rebate Pharmacist and a Rebate Support Analyst?</b></p> |  |  |
|------------|---|--|--|

- 1) **Section 4.4.6.1 Total Price Schedule, Schedule A-1: Total Price, Page 4-83, has been updated. See Attachment 1 for replacement.**
- 2) **Section 5.4.5.1 Total Price Schedule, Schedule A-1: PES Total Price, Page 5-29, has been updated. See Attachment 2 for replacement.**
- 3) **Section 6.4.5.1 Total Price Schedule, Schedule A-1: DRS Total Price, Page 6-23, has been updated. See Attachment 3 for replacement.**
- 4) **Appendix A.I: Small Business Subcontracting Plan, Page A.I-1, has been updated. See Attachment 4 for replacement.**
- 5) **See Attachment 5 for list of additional questions posed by Offerors and the Department of Medical Assistance Services response.**

Please Note: Some questions may take additional time in order to generate an adequate response. If you do not see a response to a question you have submitted, please monitor the DMAS and eVA website for future addendums.

Note: A signed acknowledgment of this addendum must be received by this office either prior to the due date and hour required or attached to your proposal response. Signature on this addendum does not substitute for your signature on the original proposal document. The original proposal document must be signed.

Sincerely,

*Christopher M. Banaszak*

DMAS Contract Manager

Name of Firm: \_\_\_\_\_

Signature and Title: \_\_\_\_\_

Date: \_\_\_\_\_

ATTACHMENT 1  
RFP 2008-02 Addendum 6

**4.4.6 SCHEDULES**

**4.4.6.1 Total Price Schedule**

**Schedule A-1: Total Price**

| Item   | Subtotal | Price |
|--|----------|-------|
| Takeover Phase Total Price without optional enhancements<br>(Schedule B-1; B1-T1 total)  |          | \$    |
| Operations Phase Price<br>(Schedule C-1; C1-T1 total)  | \$       |       |
| Operations Phase Total Price<br>(Operations Phase Price times 4 years)   |          | \$    |
| Total Cost Proposal<br>(Takeover Phase Total Price plus Operations Phase Total Price)  |          | \$    |
| <i>Note: The Total Cost Proposal dollar amount will be used for RFP 2008-02 Fiscal Agent Services Evaluation Form in the field labeled "Cost Proposal (used only for SBSP scoring)".</i> |          |       |

**Schedule A-2: Purchase of Training Services**

| Item                               | Rate per session |
|------------------------------------|------------------|
| Facility                           | \$               |
| Training Tools (for example WebEx) | \$               |

**Schedule A-3: Purchase of Additional Pharmacy Help Desk Services**

| Item         | Rate per call |
|--------------|---------------|
| Non-Clinical | \$            |
| Clinical     | \$            |

Attachment 2  
RFP 2008-02 Addendum 6

### **5.4.5.1 Total Price Schedule**

#### **Schedule A-1: PES Total Price**

|   | <b>Subtotal</b> | <b>Price</b> |
|---|-----------------|--------------|
| Takeover Phase Total Fixed Price (Schedule B, B-T1 total)   |                 | \$           |
| Operations Phase Fixed Price (Schedule C Monthly cost)  | \$              |              |
| Operations Phase Total Price<br>(Operations Phase Fixed Price times 12 months, times 2 base years)  |                 | \$           |
| Total Cost Proposal<br>(Takeover Phase Total Fixed Price plus Operations Phase Total Price)   |                 | \$           |
| <i>Note: The Total Cost Proposal dollar amount will be used for RFP 2008-02 Provider Enrollment Services Evaluation Form in the field labeled "Cost Proposal (used only for SBSP scoring)".</i> |                 |              |

### **5.4.5.2 Takeover Phase and Operations Phase**

#### **Schedule B-1: PES Takeover Phase Price**

| <b>Group</b> |  |    |
|--------------|--|----|
| <b>I</b>     | <b>Takeover Phase Cost</b>                               |    |
|              | A. Staffing  | \$ |
|              | B. Facilities  | \$ |
|              | C. Hardware  | \$ |
|              | D. Software (including maintenance)                      | \$ |
|              | D. Other   |    |
| <b>II</b>    | <b>Provider Enrollment Documentation Updates</b>         | \$ |
|              | A. Web-Based Enrollment Detailed Systems Design Document | \$ |
|              | B. Operational Procedures Manuals                        | \$ |
|              | C. User Guide Documents                                  |    |
| <b>III</b>   | <b>Other Costs (itemize: add more rows as necessary)</b> | \$ |
|              | A.   | \$ |
|              | B.   |    |
|              | C.   | \$ |
| <b>B1-T1</b> | <b>Schedule B Total Price Group (I + II + III)</b>       | \$ |

#### **Schedule C-1: PES Price for Operations**

| <b>Base Fixed Price</b> |               | <b>Costs</b> |
|-------------------------|---------------|--------------|
| I.                      | Monthly Costs | \$           |

**Note:** This cost includes all Technical Infrastructure Costs.

Attachment 3  
RFP 2008-02 Addendum 6

### 6.4.5.1. Total Price Schedule

#### Schedule A-1: DRS Total Price

|   | Subtotal | Price |
|---|----------|-------|
| Takeover Phase Project Fixed Price<br>(Schedule B-1, B1-T1 total)   |          | \$    |
| Operations Phase Fixed Monthly Price<br>(Schedule B-2, B2-T1 total)   | \$       |       |
| Operations Phase Total Price<br>(Operations Phase Fixed Monthly Price times 12 months, times 3 base-years)  |          | \$    |
| Total Cost Proposal<br>(Takeover Phase Total Price plus Operations Phase Total Price)   |          | \$    |
| <i>Note: The Total Cost Proposal dollar amount will be used for RFP 2008-02 Drug Rebate Services Evaluation Form in the field labeled "Cost Proposal (used only for SBSP scoring)".</i> |          |       |

### 6.4.5.2. Takeover and Operations Phase Price Schedules

#### Schedule B-1: DRS Takeover Phase Price

| Takeover and Development/Installation of Enhancements |                                     |       |
|---|-------------------------------------|-------|
| Group   | Item                                | Price |
| <b>I</b>  | <b>Takeover Phase Cost</b>          |       |
|   | A. Staffing                         | \$    |
|   | B. Facilities                       | \$    |
|   | C. Hardware                         | \$    |
|   | D. Software (including maintenance) | \$    |
|   | E. Other                            | \$    |
| <b>II</b>   | <b>Drug Rebate Documentation</b>    |       |
|   | Operational Procedures Manuals      | \$    |
|   | User Guide Documents                | \$    |
| <b>III</b>  | <b>Other Costs</b>                  |       |
|   | A.                                  | \$    |
|   | B.                                  | \$    |
|   | C.                                  | \$    |
| <b>B1-T1</b>  | <b>TOTAL PRICE</b>                  | \$    |

#### Schedule B-2: DRS Price for Operations

| Price for Operations |  |       |
|----------------------|--|-------|
| Group                | Item   | Price |
| <b>I</b>             | <b>Operations Phase Cost</b>                   |       |
|                      | A. Staffing                                    | \$    |
|                      | B. Facilities                                  | \$    |
|                      | C. Hardware                                    | \$    |
|                      | D. Software (including maintenance)            | \$    |
|                      | E. Disaster Recovery and Data Point Objectives | \$    |
| <b>II</b>            | <b>Other Costs</b>                             |       |
|                      | A.   | \$    |
|                      | B.   | \$    |
|                      | C.   | \$    |
| <b>B2-T1</b>         | <b>TOTAL PRICE</b>                             | \$    |

**Attachment 4  
RFP 2008-02 Addendum 6**

**Virginia RFP 2008-02**

**08/13/2008**

**Appendix A.I: Small Business Subcontracting Plan**

**Definitions**

**Small Business:** "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. Note: This shall not exclude DMBE-certified women- and minority-owned businesses when they have received DMBE small business certification.

**Women-Owned Business:** Women-owned business means a business concern that is at least 51% owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

**Minority-Owned Business:** Minority-owned business means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

**All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) by the due date of the solicitation to participate in the SBE program. Certification applications are available through DMBE online at [www.dmbv.virginia.gov](http://www.dmbv.virginia.gov) (Customer Service).**

**Offeror Name:** \_\_\_\_\_

**Preparer Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Instructions**

- A. If you are certified by the Department of Minority Business Enterprise (DMBE) as a small business, complete only Section A of this form. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.
- B. If you are not a DMBE-certified small business, complete Section B of this form. For the Offeror to receive credit for the small business subcontracting plan evaluation criteria, the Offeror shall identify the portions of the contract that will be subcontracted to DMBE-certified small business in this section. Points will be assigned based on each Offeror's proposed subcontracting expenditures with DMBE certified small businesses for the initial contract period as indicated in Section B in relation to the Offeror's total price.

**Section A**

If your firm is certified by the Department of Minority Business Enterprise (DMBE), are you certified as a (check only one below):

\_\_\_\_\_ Small Business

\_\_\_\_\_ Small and Women-owned Business

\_\_\_\_\_ Small and Minority-owned Business

Certification number: \_\_\_\_\_ Certification Date: \_\_\_\_\_

**Section B**

**Attachment 4**  
**RFP 2008-02 Addendum 6**

**Virginia RFP 2008-02**

**08/13/2008**

Populate the table below to show your firm's plans for utilization of DMBE-certified small businesses in the performance of this contract. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received the DMBE small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.

**B. Plans for Utilization of DMBE-Certified Small Businesses for this Procurement**

| <b>Small Business Name &amp; Address</b><br><br><b>DMBE Certificate #</b> | <b>Status if Small Business is also: Women (W), Minority (M)</b> | <b>Contact Person, Telephone &amp; Email</b> | <b>Type of Goods and/or Services</b> | <b>Planned Involvement During Initial Period of the Contract</b> | <b>* Planned Contract Dollars During Initial Contract Period</b> |
|---|--|--|--------------------------------------|--|--|
|   |  |  |                                      |  |  |
|   |  |  |                                      |  |  |
|   |  |  |                                      |  |  |
|   |  |  |                                      |  |  |
|   |  |  |                                      |  |  |
|   |  |  |                                      |  |  |
|   |  |  |                                      |  |  |
| <b>Totals \$</b>  |  |  |                                      |  |  |

\*Initial Contract Period for:

FAS is the Takeover Period plus the 4 base-years

PES is the Takeover Period plus the 2 base-years

DRS is the Takeover Period plus the 3 base-years

**Attachment 5**  
**RFP 2008-02, Addendum 6**  
**Questions and Responses**

| <b>DMAS #</b> | <b>RFP Cite</b>             | <b>Vendor Question</b>   | <b>DMAS Response</b>  |
|---------------|-----------------------------|--|---|
| 190           | Addendum 4,<br>Attachment 2 | <p>Addendum No. 4, Attachment 2 provides, near the end of the attachment, a formula for Point Value of the Small Business Subcontracting Plan. Is the "Cost Proposal" value in this formula taken from the second / final line of Schedule A-1? If so, this would be the price of the Takeover Phase plus the first year of operations.</p> <p>Is the "Offerors Proposed SBSP Dollar Amount", in the same formula, taken from the bottom-most, right-most cell of the SBSP? If this is correct, then is it correct to assume that the values DMAS desires for the SBSP column: "Planned Contract Dollars During the Initial Period of the Contract" should be the sum of the value for the Takeover Phase plus the first year of the Operations Phase?</p> | DMAS recognizes the Cost Proposal value needs clarification for each of the three contracts. For FAS, the Cost Proposal from Schedule A-1 is the Takeover Phase Price and the Operations Phase Price. Schedule C.1 total roll up to Schedule A-1, is an annual Operations Price. The Total Cost Proposal is the Takeover Phase Price plus the Total Operations Phase Price. See Addendum Schedule A-1 modified. |
| 191           | Global                      | Will the Commonwealth consider a proposed technology upgrade for systems and/or subsystems within the MMIS which meet and exceed the functional and technical requirements of the solicitation for that system or subsystem?   | Yes, but only in the context of Section 4.1.7 and its corresponding requirements.   |
| 192           | 1.2<br>(p. 1-9)             | Since this is a takeover of a CMS certified system, is it correct to assume there will not be any additional CMS certification activities?   | Yes, that is a correct assumption.  |

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|---------------|---|--|---|
| 193           | Table 2.1.14 #5<br>(p. 2-7)<br><br>Table 2.2<br>(p. 2-11) | Table 2.1.14 #5 Must Have Factors states, "(M) Offeror must submit its one-time Takeover cost separate from the cost proposal for each procurement section. The Commonwealth of Virginia reserves the right to negotiate the Takeover fee."<br><br>Table 2.2: Proposal Format CD-ROM 2 states, "Detailed pricing as specified in Section 4.4, 5.4, or 6.4. Submitted in a separate envelope a hard copy file and CD. Do not include any pricing data in any other section of the proposal. Offerors Small Business Subcontracting Plan shall also be included in this section."<br><br>Please clarify where in the proposal the Takeover cost should be submitted? | All costs proposed are included in Table 2.2: CD-ROM 2 under Pricing.<br><br>The Takeover costs and Operations costs are accommodated separately in a table in the Cost Proposal section (Sections 4.4, 5.4, and 6.4).  |
| 194           | Table 3.4.1<br>(p. 3-4)                                   | In the current operation, is the security for DB2 controlled in DB2 or by ACF2?  | ACF2.   |
| 195           | Table 3.4.1<br>(p. 3-4)                                   | The second entry for the referenced column contains information on the mainframe environment.<br><br>In addition, please provide a list of systems software, the vendor, and a release/version number. For example, what scheduling software is used in this environment?  | Refer to Section 7, Appendix D, for COTS software inventories and see response to question 160 in Addendum 5.<br><br>Scheduling software:<br><br>CA-ESP EncoreVersion 3.1<br><br>CA-ESP Workload AutomationVersion 5.4<br><br>CA-ESP Workload Automation CPE Version 5.1<br><br>CA-ESP Workload Automation InfoServ Version 1.2 |

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|---------------|-------------------------|--|--|
| 196           | Table 3.4.1<br>(p. 3-4) | With regard to the IBM mainframe referenced in Table 3.4.1, X37 is referenced in the operating system column.<br><br>Please provide the specific mainframe model type, for example, 9672-X37, 9672-X47, 9672-X57, etc.).   | IBM S/390 - z9 2096-S07-O04  |
| 197           | 4.1.6.1<br>(p. 4-45)    | The Change Management Processes are supported by the DMAS owned tracking system. Section 1.1.4 Application Inventory does not list this as one of the MMIS subsystems. Will this application be available to Offeror?  | Yes (source code and data)<br><br>The Offeror is required to purchase licenses for its users and DMAS users. See Table 3.4.1 # 9 (Remedy) for total DMAS users.  |
| 198           | 4.4.6.2<br>(p. 4-82)    | Section 4.4.6.2, Takeover Phase Price Schedules, contains Schedule B-1: Takeover Phase Price, and Schedule B-2: Disaster Recovery and Data Point Objectives Option Packaging.<br><br>a) Are all cost data included in Group III of Schedule B-1 strictly limited to Takeover Phase disaster recovery?<br><br>b) Are all baseline package costs associated with Disaster Recovery for the Operations Phase, while not specified in any schedule, to be included in the CBU prices?<br><br>c) Are the RTO and RPO of Schedule B-2 applicable to both the Takeover Phase and the Operations Phase?<br><br>d) Is it correct that the "Platform" column of Schedule B-2 only has applicability to the Operations Phase?<br><br>e) Would DMAS like to see DR Option Package pricing for the Operations Phase? If so, where should this pricing data be provided? | a) All costs associated with preparation for disaster recovery activities should be included in Group III of Schedule B-1.<br><br>Yes. Costs should reflect takeover backup/restoration needs as well as activities in preparation for the Operations Phase DR options (one time costs etc.).<br><br>b) Yes.<br><br>c) No, they are applicable to the Operations Phase.<br><br>d) Yes.<br><br>e) Yes. The CBU rates in table D-1 should reflect the baseline DR package for the Operations Phase. The RFP will be amended to include a comparable CBU rate table for each of the remaining DR option packages. |

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|---------------|---|---|---|
| 199           | Appendix C.I<br>Schedule A<br>(p. C.I-<br>Schedule A-1) | <p>Schedule A lists a number of durations in the Completion/Update column to be used in scheduling deliverables. Some indicate updates are to be delivered "each week thereafter", while others are "each week thereafter until phase end".</p> <p>Is it correct that the term "each week thereafter" is intended to mean until the end of Takeover (7/1/10)?</p> <p>Is it correct that the term "each week thereafter until phase end" is intended to mean until the end of specific phase within the Takeover period (Initiation, Planning, Execution/Control, Closeout, and Evaluation)?</p> | <p>Yes.</p> <p>Yes.</p>   |
| 200           | Appendix E.I<br>#49<br>(p. E.I -10)                     | <p>Req #49 states that the Offeror agrees "...to compile all Pharmacy Program statistics required by the General Assembly..."</p> <p>When referring to all Pharmacy Program statistics, does DMAS intend this to be limited to only pharmacy programs covered under the FAS RFP? (This would exclude other programs not performed by the FAS Contractor, such as Pharmacy Rebates, PDL, MAC, etc.)</p>  | The FA is required to provide statistics for any data available in the MMIS except for Drug Rebate. |
| 201           | Appendix E.I<br>#s 72-85<br>(p. E.I-14)                 | <p>In this Appendix, the numbering jumps from Section 4.1.2, Fiscal Agent Applications Support to Section 4.1.2.18 DMAS Technology Applications.</p> <p>Are there missing requirements?</p>   | No, the requirements for the subsections under 4.1.2.1 – 4.1.2.18 are included under section 4.1.2  |

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|---------------|-------------------------------------|--|--|
| 202           | Appendix E.I<br>#84<br>(p. E.I-21)  | <p>Question 84 states the offeror is to “maintain a system for comprehensive reporting.”</p> <p>1. Does the system currently exist?<br/> 2. Is there documentation available?<br/> 3. What standards and deliverables apply to administration, operations, and outcomes associated with prior authorization programs?</p>  | This requirement is being removed.   |
| 203           | Appendix E.I<br>#115<br>(p. E.I-27) | <p>With regard to the referenced Computer Associates (CA) Access Control Facility (CA-ACF2) product, please provide the following information:</p> <p>A. A complete output from the ACF2 "SHOW ALL" command.<br/> B. An output of the number of ACF2 "GROUPS."<br/> C. An output of the number of ACF2 "USERS."<br/> D. An output of the number of ACF2 resources by "TYPE CODE."<br/> E. Are there any special ACF2 "EXITS" used?</p> | <p>A. No. This information is considered confidential and will be provided upon request to the winning vendor.<br/> B. 149 in Production, 30 in QA or test region as of 10/06/08: subject to change.<br/> C. 4,280 users as of 10/06/08; subject to change<br/> D. No. This information is considered confidential and will be provided upon request to the winning vendor.<br/> E. No. This information is considered confidential and will be provided upon request to the winning vendor.</p> |
| 204           | Appendix E.I<br>#157<br>(p. E.I-35) | <p>Could DMAS please clarify the requirement for a detailed Project Plan? Which of the plans listed in Appendix C.I is the vendor required to include in the proposal, and which plans are required post-award? Are these plans subject to the 5-page maximum limit?</p>   | See response to question 106 and 145 in Addendum 3.  |

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|---------------|--|---|--|
| 205           | Appendix E.I<br>#163<br>(p. E.I-35)              | Question 163 states, "Does the Offeror agree to follow the Commonwealth's project management standard ITRM-CPM-112-02 determined and communicated by DMAS and to provide a PMI certified project manager?"<br>Should the Offeror interpret Question 163 literally as if the Offeror is an employee of COV and therefore uses the exact tools for project reporting, Cost-Benefit Analysis, etc. and uses the Commonwealth's IT portfolio management tool; or should the Offeror interpret Question 163 to imply that the equivalent information can be provided to DMAS using the Offeror's project management tools? | Equivalent information can be provided to DMAS using the Offeror's project management tools.   |
| 206           | Appendix E.I<br>#176<br>(p. E.I-37)              | Requirement #176 of Appendix E.I of the RFP directs the Offeror to: "Provide names of proposed Key Staff, resumes, and three references for each." Where in the proposal structure should Offerors place the resumes and references?  | DMAS recognizes this question relates to all three contracts. The Offeror should respond to the requirement in the requirement matrix. DMAS recognizes that Key Staff was also noted in Section 2.3 Services and Support Management, and it will be deleted from that section. |
| 207           | Appendix E.I<br># 176<br>(p. E.I-37)             | Req 176 asks offerors to "... provide names of key personnel, resumes, and three references for each."<br><br>(1) Should resumes be included in the proposal following the response to this open ended questions or in an appendix?<br>(2) Please confirm that the 5 page limit for this response excludes the resumes (total of 8 key personnel for FAS).  | See response to previous question # 206.<br><br>The 5-page limit applies separately to each Key Staff position listed.   |
| 208           | Appendix E.II<br>Table E-7<br>#1<br>(p. E.II-11) | Item #1 includes a performance target of 100% accuracy of RA/Checks/EFT.<br><br>What is 100% accuracy of RA/Checks/EFT referring to in this performance target?   | The 100% accuracy of RA/Checks/EFT was referring to the other two performance targets and is removed.  |

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|------------------|---|---|---|------------------|--------------|----------------|-----------|---------------|------------|------|-----------|-------------|-----------|-------|------------|
| 209              | Appendix E.II<br>Table E-7<br>#5<br>(p. E.II-11)  | Item #5: The Operational Task states, "Correct errors associated with EFT deposit and mailing of provider payments."<br><br>Since PES is a separate contract, should this SLA be moved to the PES RFP?  | No. The Fiscal Agent is responsible for correcting errors associated with EFT deposits and checks. The Fiscal Agent contractor shall coordinate with PES contractor changes to the provider database.   |                  |              |                |           |               |            |      |           |             |           |       |            |
| 210              | Appendix E.II<br>Table E-7<br>#18<br>(p. E.II-13) | Item #18 relates to Annual 1099 corrections and has a Performance Target to "process and mail all 1099 corrections by February 28th COB each year."<br><br>In the PES SLAs (Appendix F.II, Table F-3, Item 13) the RFP says to "Resolve annual 1099 discrepancies in ≤30 days notification of discrepancy from DMAS."<br><br>Many providers do not contact the Fiscal Agent concerning 1099 corrections by February 28th. Will DMAS change the FAS Performance Target to "≤ 30 days notification of discrepancy from DMAS," as is specified for the related Performance Target in the PES SLAs? | Yes.  |                  |              |                |           |               |            |      |           |             |           |       |            |
| 211              | Appendix E.II<br>Table E-12<br>(p. E.II-19)       | Item #1 states: "Notification of Priority 1 outage to Help Desk."<br>Item #2 states: "Notification of Priority 2 and 3 outage to Help Desk."<br><br>Please define Priority 1, 2 and 3 outages.  | Priority level definitions added to Table E-12.   |                  |              |                |           |               |            |      |           |             |           |       |            |
| 212              | Appendix E.II<br>(p. E.II-20)                     | Please provide an inventory of the On-Demand documents that must be transitioned so that we can determine storage requirements. Please provide a breakdown by file type and format ( <i>i.e.</i> , MIME).   | <table><tr><th><u>File Type</u></th><th><u>Count</u></th></tr><tr><td>Reports (TEXT)</td><td>5,851,714</td></tr><tr><td>Images (TIFF)</td><td>25,387,210</td></tr><tr><td>PDFs</td><td>7,561,433</td></tr><tr><td>Excel (CSV)</td><td><u>18</u></td></tr><tr><td>Total</td><td>38,800,375</td></tr></table> | <u>File Type</u> | <u>Count</u> | Reports (TEXT) | 5,851,714 | Images (TIFF) | 25,387,210 | PDFs | 7,561,433 | Excel (CSV) | <u>18</u> | Total | 38,800,375 |
| <u>File Type</u> | <u>Count</u>                                      |   |   |                  |              |                |           |               |            |      |           |             |           |       |            |
| Reports (TEXT)   | 5,851,714   |   |   |                  |              |                |           |               |            |      |           |             |           |       |            |
| Images (TIFF)    | 25,387,210  |   |   |                  |              |                |           |               |            |      |           |             |           |       |            |
| PDFs             | 7,561,433   |   |   |                  |              |                |           |               |            |      |           |             |           |       |            |
| Excel (CSV)      | <u>18</u>   |   |   |                  |              |                |           |               |            |      |           |             |           |       |            |
| Total            | 38,800,375  |   |   |                  |              |                |           |               |            |      |           |             |           |       |            |

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|---------------|---|---|----------------------|
| 213           | Appendix F.I<br>#2, #50<br>(p. F.I-1 and<br>F.I-11) | <p>The following PES requirements appear to present a conflict:</p> <p>Appendix F.I, Req #2, bullet 1: "Accept and maintain care, custody, and control of an estimated 4.5 million electronically imaged provider enrollment documents ..."</p> <p>ReAppendix F.I, Req #50: Does the Offeror agree to interface with the ECM solution provided by the FA Contractor, loading all imaged provide documentation to the ECM and retrieving content stored on the ECM."</p> <p>If provider enrollment documents will be housed on the FAS ECM, the PES contractor really won't be maintaining "custody and control" of the documents/images. Will DMAS eliminate those words from this requirement?</p> | Yes.                 |
| 214           | Appendix F.II<br>Table F-3<br>#3<br>(p. F.II-3)     | <p>Item #3: The Performance Target states, "100% accuracy of all provider information entered to MMIS Database. Provider rates entered <math>\leq</math> 2 business days."</p> <p>Is it accurate to assume the current 25% sampling methodology satisfies the sampling for this performance target?</p>   | No.                  |

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|---------------|--|---|----------------------|
| 215           | Appendix F.II<br>Table F-3<br>#7<br>(p. F.II-3)  | <p>Item #7: This SLA indicates that returned provider mail must be processed in <math>\leq 5</math> business days from receipt 90% of the time.</p> <p>We recommend recycled mail (returned Medicaid Memos and Postcards) be excluded from the 5 day requirement. Under current direction from DMAS, recycled mail requires no further action by the fiscal agent as it is determined to have no impact to the Medicaid mission if not received by the provider.</p> <p>Does DMAS agree to exclude recycled mail from this SLA?</p> | No.                  |
| 216           | Appendix F.II<br>Table F-4<br>#17<br>(p. F.II-3) | <p>Item #17: The Performance Target states, "Maintain a call abandonment rate of <math>&lt; 5\%</math>."</p> <p>Will DMAS accept the definition of "abandoned call" as one that is in the queue for greater than 60 seconds?</p>  | Yes.                 |